



MAJESTIC
STEEL USA

CORE REPORT

10.24.25

COST

01

- ⊖ scrap
- ▼ iron ore
- ⊖ energy
- ▲ zinc
- ▲ coking coal

SUPPLY

04

- ▲ lead times
- ▲ production
- ⊖ imports
- ⊖ inventories

DEMAND

07

- ▼ automotive
- ⊖ construction
- ⊖ appliance
- ⊖ manufacturing
- ⊖ agriculture
- ⊖ durable goods

ECONOMIC

09

- ⊖ employment
- ▲ inflation
- ⊖ confidence
- ⊖ income
- ⊖ retail sales



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**MAJESTIC
STEEL USA**

COST

▼ SPOT IRON ORE¹

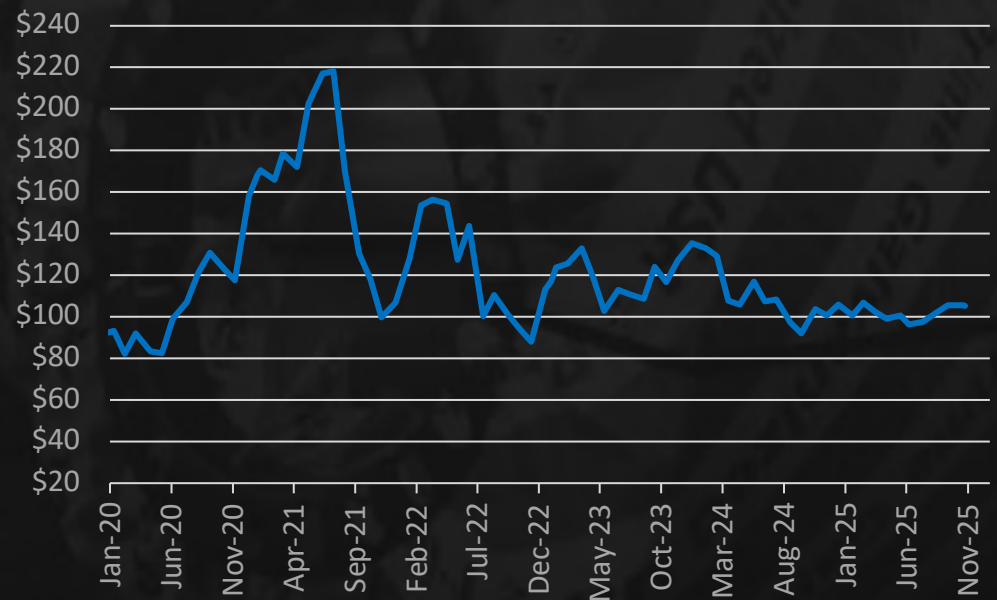
Spot iron ore ticked down slightly this week after climbing twelve out of the previous fourteen weeks.

Spot iron ore pricing ended the week at \$105.25/mt, down from \$105.56/mt a week ago.

- Pricing slipped this week after Chinese restocking demand slowed.

The recent trade tensions between the U.S. and China remains a headwind for steelmaking raw materials.

IRON ORE COST



WEEKLY ZINC PRICING



Zinc skyrocketed this week to the highest level since February of 2023.

Zinc pricing ended the week at \$3,225/mt (\$1.463/lb), up from \$3,078/mt (\$1.396/lb) previously.

- Zinc hit \$1.51/lb earlier in the week as LME warehouse inventory hit the lowest level since February 2023.
- Electricity costs continue to climb in Europe and are now an unsustainable portion of overall expenses, which is forcing zinc smelters to either reduce capacity or completely shut down.

Global zinc inventory decreased after climbing the previous two weeks.

- LME warehouse decreased slightly to a multi-year low, sliding from 38,300 metric tons to 34,700 metric tons.
- Shanghai warehouse inventory increased slightly, climbing from 106,627 metric tons to 109,168 metric tons.

COST

▲ COKING COAL³

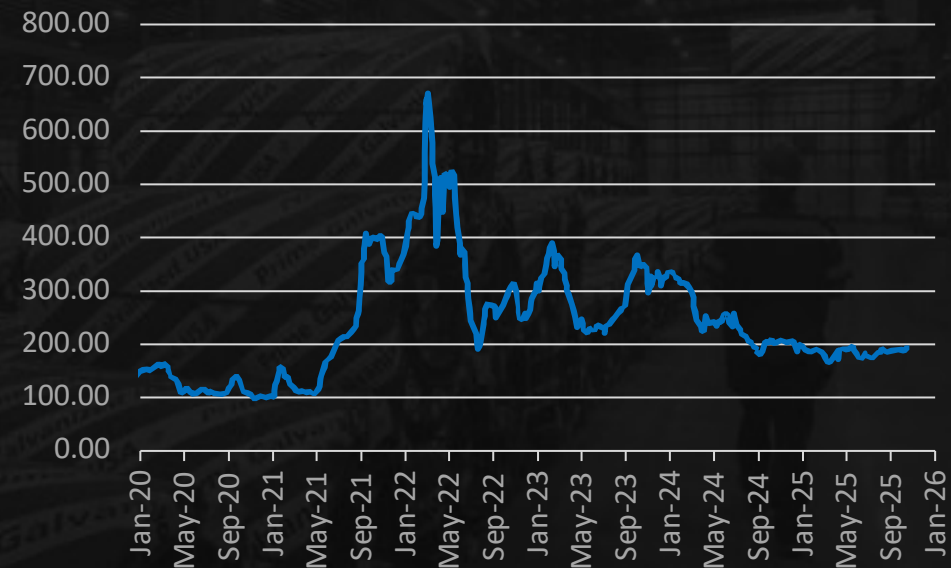
Coking coal pricing rebounded this week after slipping last week.

Coking coal pricing settled at \$194.20/mt, up from \$188.90/mt previously.

- This is up 2.8% from last week to the highest level since May 30th, 2025.

Buying interest remains weak and supply remains ample, as most restocking has taken place in previous weeks.

COKING COAL PRICE



SUPPLY

▲ MILL LEAD TIMES⁴

Domestic hot rolled lead times continued to push higher this week, climbing to an average of 5.2 weeks.

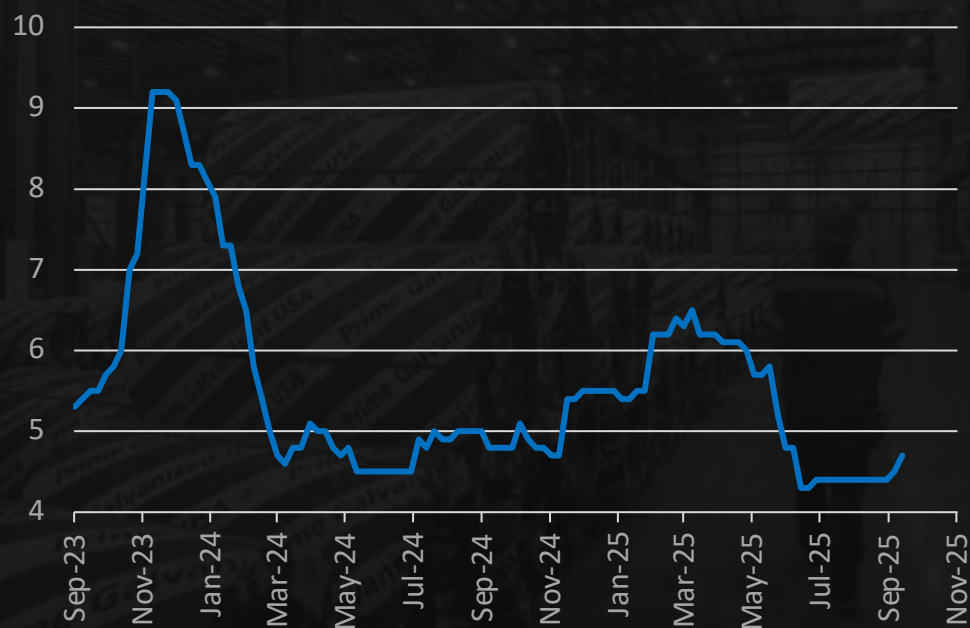
- This is up from a 5.0 week average last week and is at its longest period since the week before Memorial Day.

While below the recent elevated levels seen immediately after the stronger tariff announcements in the spring, the current level is right at the YTD average.

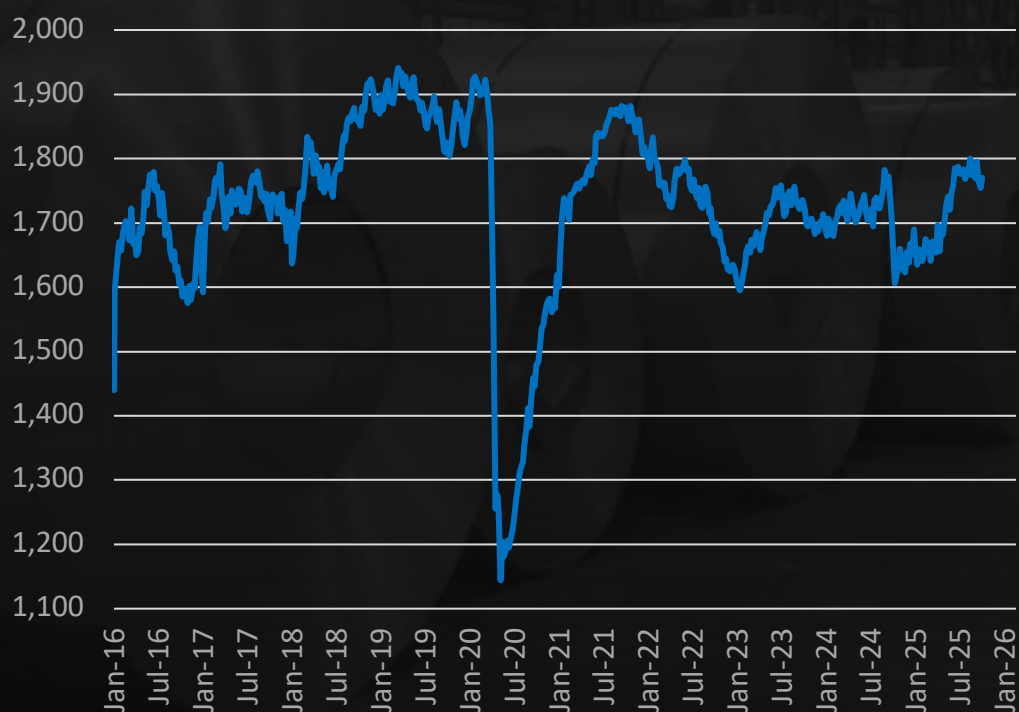
Recent mill maintenance outages, combined with inventory replenishment, have helped lead times extend of late.

Extending lead times typically lead to rising prices, which we have seen, specifically for HRC, recently.

HRC LEAD TIMES



WEEKLY DOMESTIC PRODUCTION



▲ WEEKLY DOMESTIC STEEL PRODUCTION⁵

Domestic raw steel production rebounded slightly last week after slipping the previous two weeks.

U.S. mills produced an estimated 1,744k tons at a 76.1% utilization rate; this is up from 1,722k tons and a 76.0% rate previously.

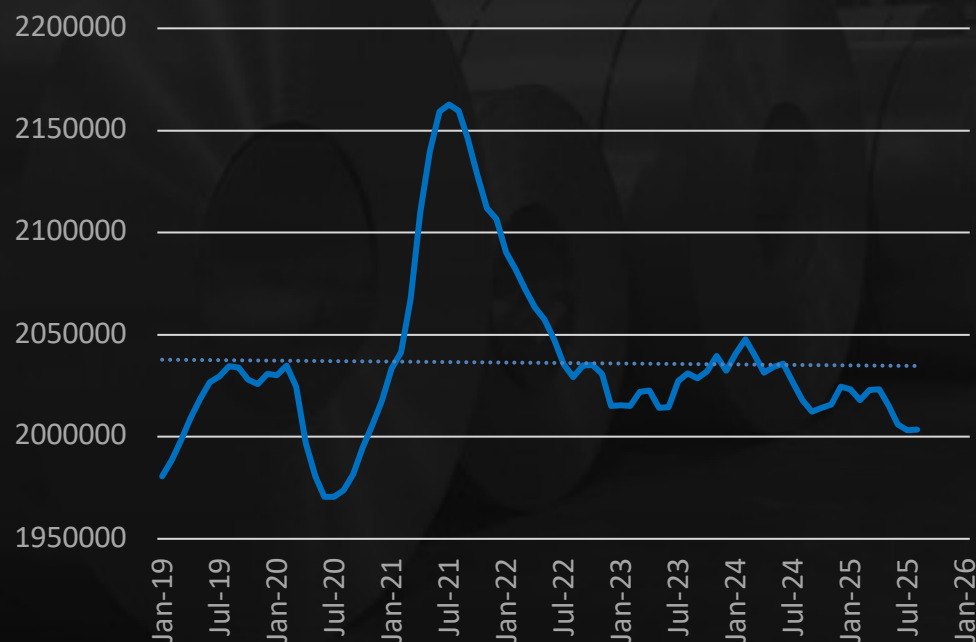
- Despite the increase, twelve planned mill maintenance outages in October have put a cap on overall production.

Production increased in four of the five regions, with the largest jump (in tons) coming from the Southern region.

- Production from the Southern region spiked from 773k tons to 790k tons.

Year-to-date production is now up 0.65% compared to the same timeframe last year.

GLOBAL STEEL PRODUCTION (R12)



GLOBAL STEEL PRODUCTION⁶

After sliding the previous two months, global steel production increased moderately.

September global production came in at a 4.727 million mt/day rate, up 0.6% from August but down 1.6% from last September.

- Production has now declined on a year-over-year basis in four of the last five months.

Chinese production slipped to a 2.450 million mt/day rate, down 1.8% from August and down 4.6% from last September.

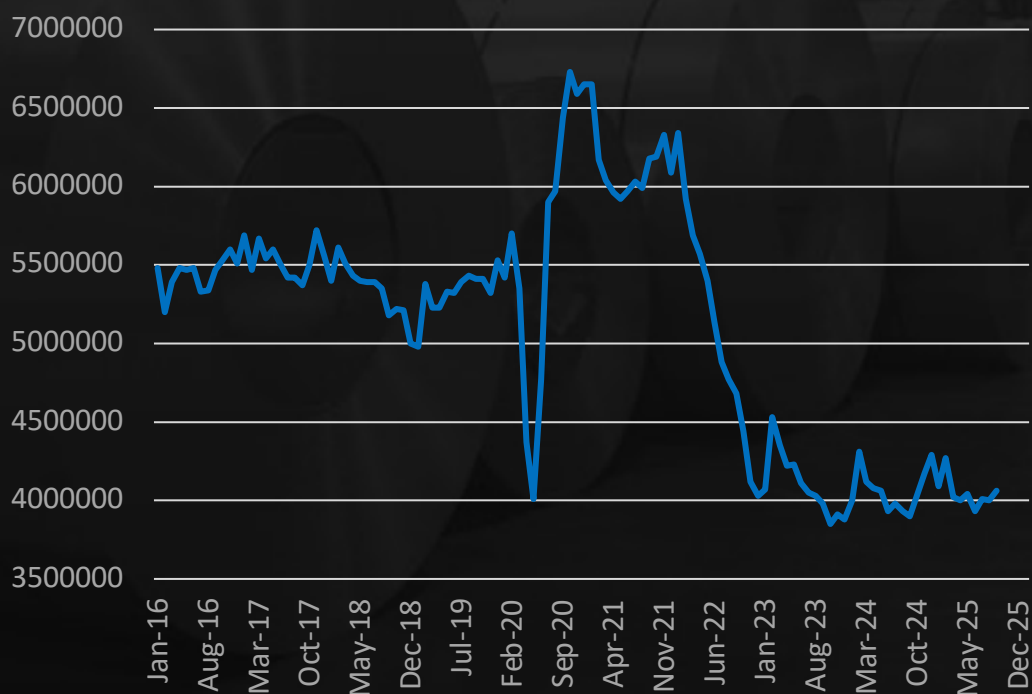
- Chinese production has now declined in six consecutive months.

Production from the rest of the world increased however, climbing 3.3% to a 2.277 million mt/day rate.

- NAFTA production increased 0.6% to a 294.7k mt/day rate, the highest level since June.

YTD global production is averaging 5.026 million mt/day, up 0.2% from the 2024 daily average of 5.015 million mt.

EXISTING HOME SALES (SAAR)



DEMAND

▼ ARCHITECTURE BILLINGS INDEX⁸

Conditions at architecture firms weakened further in September, with the Architecture Billings Index dropping to 43.3 from 47.2 in August.

- The index is now down from 45.5 last September and is at its lowest level since April.
- The two-month average slipped to 45.3, well below the key breakeven level of 50.

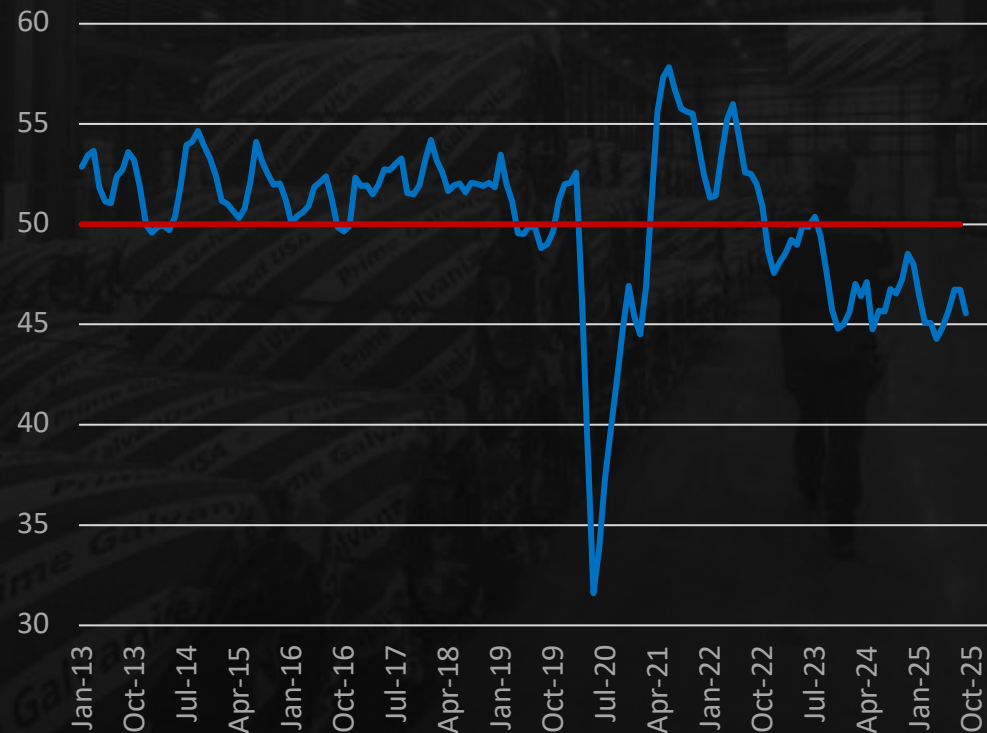
Any reading above 50 shows an expansion in activity, while any reading below 50 shows a contraction.

Activity declined across all U.S. regions except the Midwest, which held flat.

- Firms in the West experienced the sharpest decline for the fourth consecutive month.

The sector breakdown showed declines across the board with multi-family residential (47.2) coming in as the best; commercial/industrial (46.6); institutional (44.3); mixed practice (firms that do not have at least half of their billings in any one other category) (44.0).

ARCHITECTURE BILLINGS INDEX



WEEKLY INITIAL JOBLESS CLAIMS⁹

For the fourth straight week, jobless claims data was unavailable due to the ongoing government shutdown.

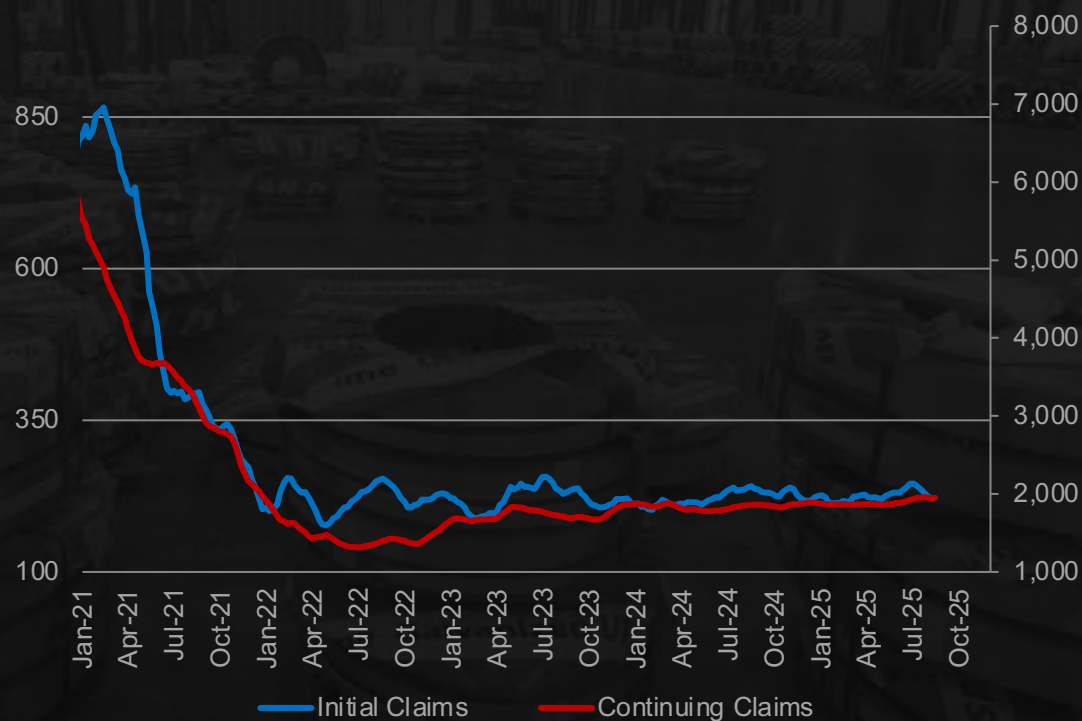
- The data will be backfilled once a resolution is agreed upon.

Although the U.S. Labor Department suspended its own weekly report on unemployment filings, nearly all the states publish their own jobless claims totals separately.

It's estimated that jobless claims have held around 220,000 in October, despite hundreds of thousands of government workers being furloughed.

- The unemployment rate is currently at 4.3%.

WEEKLY INITIAL JOBLESS CLAIMS



📉 CONSUMER PRICE INDEX¹⁰

A key gauge of consumer inflation came in as expected in September, paving the way for further expected rate cuts by the Fed.

The September Consumer Price Index was up 0.25% from August and is up 3.01% compared to last September.

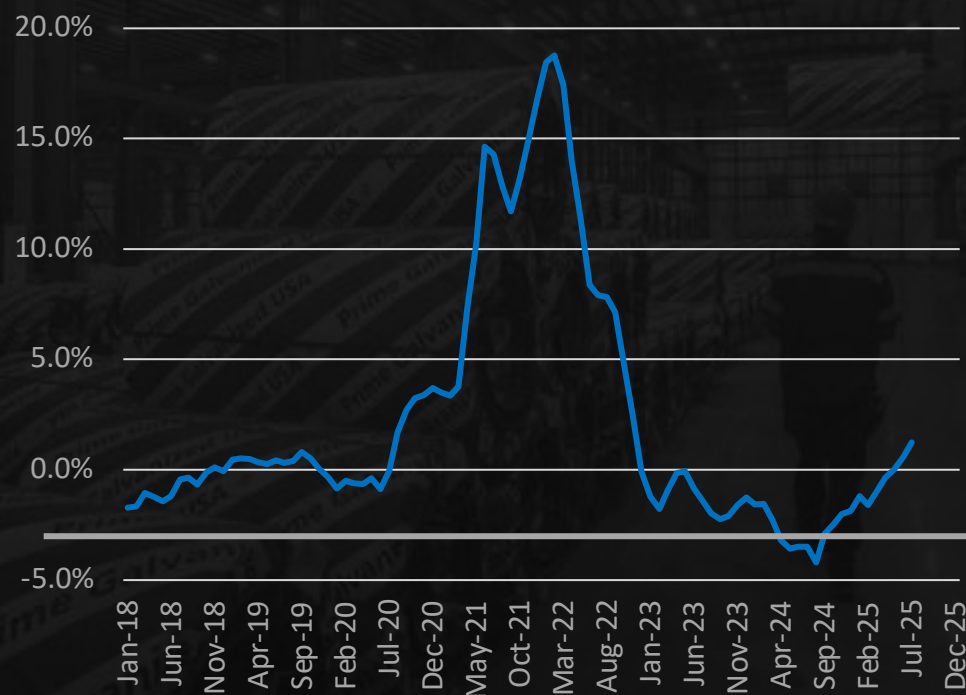
- Excluding food and energy, prices were up 0.25% m/m and up 3.02% from last September.
- This was the lowest y/y increase since June.

Over the past 12 months, the shelter index was up 3.6%, the cost of medical care was up 3.3% and household furnishings were up 4.1%.

- Other sectors to see increases include recreation and used cars and trucks.

The cost of durables declined 0.13% from August, the first m/m decline in prices since February.

CPI - DURABLES



SOURCES

- 1 Platts, Spot Iron Ore: October 24, 2025.
- 2 London Metal Exchange, Weekly Zinc Price and Inventory Report: October 24, 2025.
Shanghai Futures Exchange, Weekly Zinc Inventory Report: October 24, 2025.
- 3 Platts, Coking Coal Price: October 24, 2025.
- 4 Majestic Steel USA, Domestic Mill Lead Time Report: October 2025.
- 5 American Iron & Steel Institute, Weekly Domestic Steel Production: October 21, 2025.
- 6 WorldSteel, Global Steel Production: September 2025.
- 7 National Association of Realtors, Existing Home Sales: September 2025.
- 8 American Institute of Architects, Architecture Billings Index: September 2025.
- 9 Department of Labor, Weekly Initial Jobless Claims: September 23, 2025.
- 10 Bureau of Economic Analysis, Consumer Price Index: September 2025.

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